

West River Cooperative Telephone Co.

801 Coleman Ave.

P. O. Box 39

Bison, SD 57620

April 10, 2012

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

RE: Correction to West River Cooperative Telephone Company's Erroneous Regression Analysis Data Inputs; Connect America Fund, WC Docket, No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Lifeline and Linkup, WC Docket No. 03-109, Universal Service Reform – Mobility Fund, WT Docket No. 10-208

Dear Ms. Dortch:

West River Cooperative Telephone Company ("West River") respectfully submits this letter to request that the Commission correct erroneous data inputs assigned to West River by the Commission in the course of conducting regression analysis calculations. The underlying data inputs assigned to West River contained significant errors. These errors resulted in West River being improperly subjected to capital and operating expense caps under 47 C.F.R. § 54.302. The caps, as applied to West River, would result in significant, immediate and irreparable financial harm to the cooperative.

West River has provided several forms of notification to the Commission of the flawed data and the significant financial harm that would result to the company if the data were not corrected:

• West River participated in the February 17, 2012 reply comment filing of the South Dakota Telecommunications Association. In that filing, SDTA informed the Commission that due to geographical mapping data errors the Commission's input file reported 260.557 square miles as the land area served by West River Telephone. The actual size of West River Telephone's service area is 6,209 square miles. The housing units for West River as identified or listed by the FCC's data deviated significantly from the actual number. The Commission's input file contains 564 housing units while the actual number of housing units reported by West River is 3,526.¹

Phone: 605-244-5213 Fax: 605-244-7288 westriver@sdplains.com

¹ See, Reply Comments of SDTA, In the Matter of Connect America Fund, WC Docket No. 10-90, et. al. Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, (Rel. Nov. 18, 2011) at p. 23.

- On March 2, 2012, West River sent a letter (attached) to the Commission reiterating its concern that incorrect data was being relied upon for purposes of determining future high cost funding distributions. Further, West River requested information about the process the Commission had in place to allow affected companies the opportunity to correct the data inputs used in the regression analysis. No response has been received as of the date of this letter.
- On March 19, 2012, West River participated in a meeting (Ex Parte Notice attached) with Commission WCB staff. West River again expressed concern that given the magnitude of the errors in the input data, West River was most likely placed in an incorrect group of "similarly situated" peer companies. West River attempted to illustrate to the Commission how incorrect placement could lead to devastating financial impacts to the cooperative.
- In a later meeting on March 30, 2012, the Commission informed the National Telecommunications Cooperative Association that companies needing data corrections should meet with the Commission to get the erroneous information corrected.

Since West River has previously met with the Commission on March 19, 2012 and brought the underlying data errors to light, West River requests that the Commission correct West River's data inputs in accordance with the information attached to this letter, certifying the correct total land area and housing units and recalculate the support amounts with the amended information. Attached herein, West River provides considerable documentation certifying the total square miles and housing unit data the Commission should utilize.

With the July 1, 2012 implementation date nearing, West River has an immediate need to ascertain whether, and/or how, the cooperative will be impacted under the implementation of the regression analysis framework. West River plans to take further action to resolve the data errors if the corrections are not confirmed by April 30, 2012.

Respectfully submitted,

General Manager

West River Cooperative Telephone Company

Attachment(s)

cc: Carol Mattey

Sharon Gillett Michael Steffen Angela Kronenberg Christine Kurth



West River Cooperative Telephone Co.

801 Coleman Ave.

P. O. Box 39

Bison, SD 57620

March 2, 2012

VIA EMAIL

Ms. Amy Bender
Deputy Division Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

10-98 01-135 01-92 MAR 5 2012

Finderal Communications Commissions (IRCs) of the Secretary

Re: WC Docket No. 10-90, Connect America Fund; GN Docket No. 09-51, National Broadband Plan for our Future; WC Docket No. 07-135, Establishing Just and Reasonable Rates for Local Exchange Carriers; WC Docket No. 05-337, High-Cost Universal Service Support; CC Docket No. 01-92, Developing a Unified Intercarrier Compensation Regime; CC Docket No. 96-45, Federal State Joint Board on Universal Service; WC Docket No. 03-109, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WT Docket No. 10-208

Dear Ms. Bender:

Phone: 605-244-5213

West River Cooperative Telephone Company is a rate-of-return regulated rural telephone company and a member of the South Dakota Telecommunications Association (SDTA) and we presently have concerns with the accuracy of certain input data being used by the Commission in its statistical or "Regression Analysis" model that is proposed for use in limiting ROR carrier capital and operating expense recovery. Our concerns were briefly mentioned in recent comments filed by SDTA in the above referenced docketed proceedings (see SDTA Reply Comments dated February 17, 2012, pp. 22-23).

More specifically, to this point, we have discovered that the geographical mapping data used as an input in the model for the West River Cooperative Telephone Company rural service area is substantially inaccurate. The Commission's input file contains 260.557 square miles as the land area served by West River Cooperative Telephone Company. The actual size of our service area or study area is 6,209 square miles. In addition, it was also discovered that the housing units for West River were incorrect. The Commission's input file contains 564 housing units, while the actual number of housing units reported by West River is 3,526. The prospect that this inaccurate data may be relied on for purposes of determining future high cost funding distributions to West River Cooperative Telephone Company is a matter of great concern and we

04/

would like to have some assurances that the incorrect input data will be corrected. Accordingly, we would ask at this time what process, if any, is in place to allow for such corrections and whether any additional action is expected of West River Cooperative Telephone as part of this process.

We are hoping that the Commission has already taken steps to correct these errors with the model input data, but certainly would like to know if more information is expected of us in order to facilitate the necessary data corrections.

Please feel free to contact me directly with any information you have on this matter (at 605-244-5213). We are also certainly willing to meet with anyone at the Commission on this matter, if that is desired.

Sincerely,

/s/ Jerry Reisenauer

Jerry Reisenauer General Manager West River Cooperative Telephone Company



March 21, 2012

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Connect America Fund, WC Docket, No. 10-90, National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92

Dear Ms. Dortch:

On March 19, 2012, Rod Bowar of Kennebec Telephone (Kennebec), Jerry Reisenauer of West River Telephone Cooperative Telephone (West River), Richard Coit of the South Dakota Association of Telephone Cooperatives, Dan Caldwell and Rhonda Maun of Consortia Consulting, and the undersigned (collectively, the Companies) met with Amy Bender, Patrick Halley, Katie King, Gary Siegel, James Eisner, and Rodger Woock of the Wireline Competition Bureau (collectively, Staff) to discuss the above-referenced proceedings.

The Companies explained that data underlying the proposed regression analysis and relating to Kennebec and West River are incorrect. Specifically, Kennebec explained that although it serves 623 housing units within 742 square miles, the data relied upon by the Commission avers that Kennebec serves 528 housing units within 305 square miles. Similarly, West River explained that although it serves 3,526 housing units within 6,209 square miles, Commission data avers that West River serves 564 housing units within 261 square miles. The Companies expressed their concern that the errors by factors of 2.4x and 23.8x, respectively, could lead to placement of the Companies in an incorrect group of "similarly situated" peers. The Companies explained that those incorrect placements could lead to devastating financial impacts for each company.

In response to the Companies' concern regarding the need to correct the errors, Staff asked whether the Companies would be willing to participate in data collection activities that would investigate study areas and service area boundaries; Kennebec and West River stated that they would agree to participate in such an effort to correct the errors. Noting the impending July 2012 timeline for adoption of new regulations based on the regression analysis, however, the

Ms. Marlene H. Dortch March 21, 2012 Page Two

Companies asked how the errors could be corrected in the near term. In response, Staff stated the Companies have been preceded by other entities identifying errors of a similar nature, and advised the Companies that entities seeking correction of the Commission data should file a waiver. The Companies expressed their position that a less-burdensome process would be far better suited to the task of correcting a plain and verifiable data error; the Companies further proposed that a waiver process (particularly one as burdensome and intensive as that contemplated in the October 27, 2011, Order in the above-captioned dockets) is more suited to a situation in which the underlying "facts in evidence" are not disputed. In contrast, the instant situation contemplates a data correction that can be achieved in a comparatively streamlined manner.

In further discussion, Staff explained that since the model functions upon a premise of projective geometry, correction of the errors relating to the Companies' respective service areas would implicate *de facto* the accuracy of other service areas. The Companies acknowledged the "butterfly theory" impact that correction of data relating to their service areas might engender, but reiterated that the incorrect data was not of their creation and that the Commission's reliance upon it would harm the Companies; moreover, such reliance by the Commission would, by definition, result in a model that was patently erroneous in its distributions across potentially wide swaths of the industry.

In support of their discussion, the Companies relied upon the attached presentation.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS with your office.

Please do not hesitate to contact me at (703) 351-2035 or <u>jseidemann@ntca.org</u> if you have any questions or require additional information.

Respectfully submitted,

/s/ <u>Joshua Seidemann</u> Joshua Seidemann Director of Policy

Attachment

cc: Amy Bender Patrick Halley Katie King Gary Siegel James Eisner Roger Woock

West River and Kennebec

Erroneous Data = Unintended Consequences

Meeting with FCC WCB

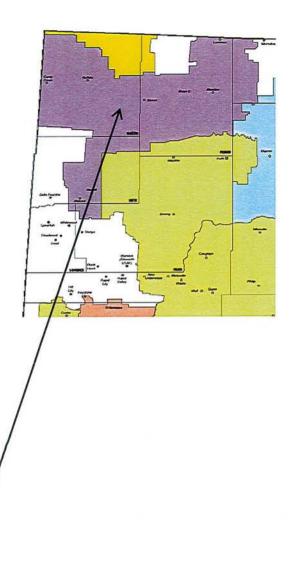
March 19, 2011 – 4pm ET

Jerry Reisenauer, West River General Manager

Rod Bowar, Kennebec General Manager/Owner

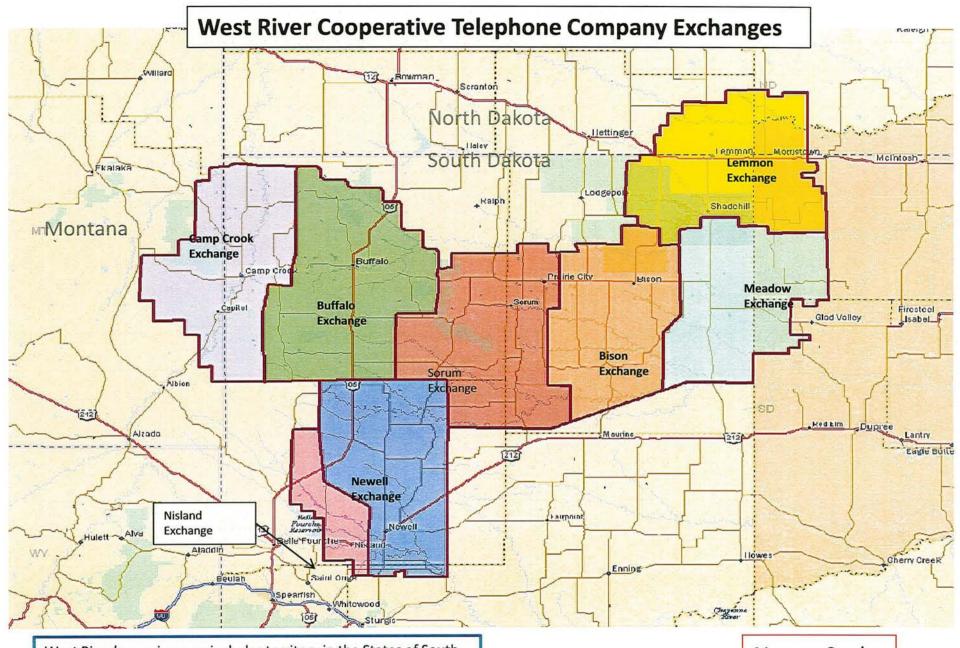
Meeting Premise

- West River and Kennebec, two rural South Dakota ILECs, have discovered inaccurate mapping data in the FCC's quantile regression model.
- With the limited details available to us, we believe the identified input errors have improperly reduced their HCLS eligibility.
- With no process defined for error correction, these companies face serious financial harm – we seek your assistance in correcting these errors and the unintended consequences.



West River	Actual	FCC Model		
Loops	3,479	3,479		
Square Miles	6,209	261		
Housing Units	3,526	564		

Kennebec	Actual	FCC Model
Loops	743	743
Square Miles Served	742	305
Housing Units	623	528



West River's service area includes territory in the States of South Dakota, Montana and North Dakota.

Not to Scale

Algorithm Categories "Capped"

West River

- C&WF Gross Plant (AL1)
 - Land Area = second most significant coefficient
- C&WF Depreciation and Amortization (AL17)
 - Land Area = second most significant coefficient

Kennebec

- Materials and Supplies (AL7)
 - Land Area = second most significant coefficient
- C&WF Maintenance Expense (AL13)
 - Land Area = second most significant coefficient
- C&WF General Support Expense (AL15)
 - Land Area = second most significant coefficient

Possible Impacts of Erroneous Data

- With the square mile data of the two companies in error by factors of 23.8x and 2.4x respectively, the companies may be in the wrong group of "similarly situated" peers.
- With Land Area as the second most significant coefficient in every algorithm category that was capped, correction of all mapping errors would yield different results.
- While these specific errors may or may not be mathematically significant to the model, they are financially harmful to West River and Kennebec.

Financial Consequences

- As a result of the inaccurate inputs, West River and Kennebec will not be eligible for redistributed HCL support under the new order.
- West River loses approximately \$600k in annualized incremental HCL support eligibility, while Kennebec loses approximately \$60k in support eligibility.
- The amount of the forfeited HCL support due to these errors, combined with the consequences of other policy changes such as lost LSS, results in significant financial harm to both companies.

Error Correction Process Needed

- No process for correction of input errors is defined in the order.
- West River and Kennebec, impacted by data errors outside their control, should not have to face the cost, or uncertainty, of a waiver process to get their in accurate data corrected.
- Examples of other data corrections from the Attachment to Sharon Gillett's February 21st peer review charge letter:
 - Addition of Allband census data
 - 3 study areas excluded from the regression
 - Addition of Guam and American Samoa
 - Exclusion of 25 cost companies with frozen support
- How do we get the inaccurate data corrected?

West River Gross Plant Analysis (AL1) The 70 Study Areas w/ between 3,000 and 4,000 Loops

SAC	Study Area Name	ST	SACPL	Loops	Land Area	Housing	C&WF	Rank if	Rank if	
					sq. miles	Units	Gross Plant	GP per	GP per	
								Loop	Sq.mi./Lo	ор
391689	WEST RIVER COOP	SD	1,856	3,479	6,209	3,526	33,830,604		1	62
452179	GILA RIVER TELECOM.	AZ	2,686	3,658	677	3,298			2	23
431988	DOBSON TEL CO	OK	2,095	3,492	2,432	4,109	27,301,001		3	58
411780	HAVILAND TEL CO	KS	1,739	3,212	1,497	3,330	20,445,176		4	55
421890	GREEN HILLS TEL CORP	MO	1,425	3,262	838	4,180	19,406,586		5	48
320759	DAVIESS-MARTIN/RTC	IN	1,300	3,073	196	2,878	17,671,001		6	13
361501	WEST CENTRAL TEL	MN	1,575	3,523	805	5,164	20,157,840		7	44
341025	SHAWNEE TEL. CO.	IL	1,808	3,702	509	4,380	20,797,055		8	25
391685	VALLEY TELECOMM.	SD	1,476	3,227	2,344	3,404	18,025,777		9	60
330918	NELSON TEL COOP	WI	1,170	3,714	388	3,525	20,557,498		10	20
391647	CHEYENNE RIVER SIOUX	SD	1,097	3,112	4,714	2,785	17,158,439		11	65
431994	GRAND TEL CO INC	OK	1,287	3,265	110	4,004	18,000,919		12	3
421914	MARK TWAIN RURAL TEL	MO	1,087	3,713	1,021	4,316	20,043,819		13	49
411833	SOUTHERN KANSAS TEL	KS	1,798	3,998	1,457	4,548	20,675,720		14	52
381631	RED RIVER RURAL TEL	ND	1,056	3,529	1,605	4,374	18,022,197		15	57
330908	MARQUETTE-ADAMS COOP	WI	1,480	3,278	184	4,324	16,413,825		16	11
341047	MCDONOUGH TEL COOP	IL	1,327	3,610	671	4,532	17,702,088		17	41
442116	MUENSTER DBA NORTEX	TX	1,267	3,847	472	4,009	18,156,997		18	26
351129	CITIZENS MUTUAL TEL	IA	959	3,401	435	3,420	15,789,299		19	34
421917	MID-MISSOURI TEL CO	MO	1,296	3,469	714	3,834	15,947,669		20	47

If Gross Plant is analyzed solely based on loop counts, West River is the highest cost SA of the 70 SAs between 3,000 and 4,000 loops. If line density is considered, West River is among the lowest cost SAs in the group of 70 (#62).

A similar analysis of Depreciation Expense (AL17) ranks West River #1 based solely on loops and #58 based on line density.

To determine line density for this analysis, we divided total Gross Plant investment by the quotient of square miles served/loops. West River's network covers 1.78 square miles of study area for each loop. The peer group average is 0.53 square miles.

The West River Sorum exchange covers 1,368 square miles and serves 159 access lines, 8.6 square miles per loop.

Kennebec Materials & Supply Analysis (AL7) 160 Study Areas w/less than 1,000 Loops

SAC	SANAME	ST	SACPL	Loops	Materials	Maint.	Gen Supp.	Land area	Housing	Rank if	Rank if
					& Supplies	Expense	Expense	Sq. Miles	Units	by Loops	by sqmi/Loop
442073	BORDER TO BORDER	TX	15,868	96	66,947	15,347	47,649	472	115		97
432029	TERRAL TEL CO	OK	5,077	217	120,255	64,213	51,477	52	314	2	13
462178	AGATE MUTUAL TEL CO	CO	4,530	113	45,921	67,365	26,109	418	178	3	98
610989	ADAK TEL UTILITY	AK	12,822	151	59,816	152,847	141,893	759	500	4	100
371557	HARTMAN TEL EXCH INC	NE	2,799	466	137,581	135,005	32,678	637	437		36
300598	MCCLURE TEL CO	ОН	1,974	587	124,847	31,103	14,511	34	753	6	2
431831	S. CENTRAL TEL - OK	OK	5,443	297	60,510	89,363	25,683	150	242	5	30
472233	RURAL TEL CO - ID	ID	2,530	684	115,123	217,035	53,284	3,864	1,491	8	86
351130	CLARENCE TEL CO	IA	1,559	643	80,421	37,840	37,942	83	729	9	11
341045	LEAF RIVER TEL CO	IL	1,929	405	50,626	187,658	31,516	51	603	10	15
442066	DELL TEL. CO-OP - TX	TX	6,624	833	99,477	260,200	137,371	7,395	1,044	11	103
462195	SOUTH PARK TEL. CO.	CO	6,116	167	19,689	5,839	17,921	169	402	12	. 88
532390	OREGON-IDAHO UTIL.	OR	2,986	662	71,252	175,952	55,372	4,931	1,438	13	107
391668	KENNEBEC TEL CO	SD	2,258	743	79,724	215,450	125,695	742	528	14	46
351105	AYRSHIRE FARMERS MUT	IA	1,353	255	26,770	28,733	15,128	95	318	15	51
442065	CUMBY TEL COOP INC	TX	903	747	77,039	49,213	7,150	50	738	16	4
482254	SOUTHERN MONTANA TEL	MT	2,902	956	80,029	67,010	18,661	3,205	1,031	17	82
462202	ROGGEN TEL COOP CO	CO	1,985	232	19,289	11,372	18,105	204	244	18	84
452191	ACCIPITER DBA ZONA	AZ	6,709	521	43,044	59,343	40,071	30	58	19	7
150085	CROWN POINT TEL CORP	NY	1,080	833	67,021	164,905	19,314	81	1,148	20	9

If Materials and Supplies are analyzed solely based on loop counts, Kennebec is in the Top 10% of the 160 companies with less than 1,000 loops. If line density is considered, Kennebec falls to #46 in the group of 160 .

A similar analysis of Maintenance Expense ranks Kennebec #17 based solely on loops and #76 based on line density. (AL13)

To determine line density for this analysis, we divided total Gross Plant investment by the quotient of square miles served/loops. Kennebec serves one customer for every one square mile of service area.

A similar analysis of General Support Expense ranks Kennebec #13 based solely on loops and #55 based on line density. (AL15)

Peer Review Comments

Tracy Waldon, Media Bureau

- "...in its current form, the Appendix does not make a convincing argument that the existing explanatory variables are sufficient to adequately determine similarly situated study areas."
- "The process by which firms produce telecom services is fairly well known.
 Existing knowledge about that production process from engineering models and studies may provide the best guidance in regards to which factors are the most significant cost drivers."

Paroma Sanyal, Economist OSP

- "...one may think about using an alternative variable, such as loop length, which may be a better predictor of cost than simple loop counts."
- "Arguably, the cost of the one long loop will be greater than the cost of a short loop, and thus using the number of loops as a covariate distorts the cost predictions on the long-loop carrier."

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of)
Connect America Fund) WC Docket No. 10-90
A National Broadband Plan for Our Future) GN Docket No. 09-51
Establishing Just and Reasonable Rates for Local Exchange Carriers) WC Docket No. 07-135
High-Cost Universal Service Support) WC Docket No. 05-337
Developing an Unified Intercarrier Compensation Regime) CC Docket No. 01-92
Federal-State Joint Board on Universal Service) CC Docket No. 96-45
Lifeline and Link-Up) WC Docket No. 03-109
Universal Service Reform - Mobility Fund) WT Docket No. 10-208

AFFIDAVIT OF JERRY REISENAUER IN SUPPORT OF WEST RIVER COOPERATIVE TELEPHONE COMPANY'S REQUEST FOR DATA CORRECTION

- I, Jerry Reisenauer, being of lawful age and duly sworn, state as follows:
- 1. My name is Jerry Reisenauer. My business address is 801 Coleman Ave., P.O. Box 39, Bison, SD 57620. My title is General Manager of West River Cooperative Telephone Company ("West River") and I have worked for the cooperative in a management capacity since 1987, and have been in the General Manager position since 2001. I am responsible for overseeing the daily operations of West River, regulatory affairs, project

- development, network deployment decisions and general management duties of the cooperative.
- I submit this affidavit in support of West River Cooperative Telephone Company's Request for Data Correction.
- I hereby verify that as the General Manager of West River, I have reviewed the
 documentation submitted in support of West River's Request for Data Correction and
 verify the accuracy of the information submitted.
- 4. The underlying data inputs used by the Commission to conduct the regression analysis calculations contained significant errors. The Commission's data input file indicated 260.557 square miles as the land area served by West River, containing 564 housing units.
- 5. As established by the supporting documentation, I hereby verify that the actual land area served by West River is 6,209 square miles covering South Dakota, North Dakota and Montana, in which West River actually serves 3,526 housing units.
- 6. Working with various industry associations, I, as General Manager of West River, have made several concerted efforts to bring the incorrect data to the Commission's attention, including highlighting the incorrect data in comments filed by the South Dakota Telecommunications Association on February 17, 2012, filing a written ex parte on March 2, 2012, and participating in an ex parte meeting at the Commission on March 19, 2012.
- 7. To date, despite repeated attempts on the part of West River to get the errors remedied, including an in-person, ex parte meeting at the Commission on March 19, 2012, the Commission has not corrected West River's data errors. If left uncorrected, the

erroneous data upon which the Commission relied will result in significant reductions to West River's universal service support.

8. This completes my affidavit.

VERIFICATION

I, Jerry Reisenauer, declare under penalty of perjury that the statements in this

Affidavit are true and correct to the best of my knowledge and belief.

Jerry Reisenauer

General Manager

West River Cooperative Telephone Company
801 Coleman Ave.

P.O. Box 39

Bison, SD 57620

Subscribed and sworn to before me, this

| O day of | Oci | 2012.

| O day of | Oci |

AFFIDAVIT OF BRIAN P. ROUNDS

STATE OF SOUTH DAKOTA)
) ss
COUNTY OF HUGHES)

Brian P. Rounds, being first duly sworn under oath, states and alleges as follows:

- 1. My name is Brian P. Rounds. I am a utility analyst with the South Dakota Public Utilities Commission ("SDPUC"). I have a Bachelor of Science Degree in Electrical Engineering. I have also been trained in the Geographic Information System ("GIS") software in use by the State of South Dakota.
- 2. West River Cooperative Telephone Company ("West River") is a rural incumbent local exchange company operating in South Dakota, North Dakota, and Montana. My calculations for West River are for its service area in South Dakota only.
- 3. I projected the telephone service area boundary maps on file with the SDPUC into our GIS software to calculate the area of West River's territory. My calculations of the service area of West River are based on the result of these calculations and discussions with representatives of West River and representatives of an adjacent telephone company to the extent map boundaries were not in perfect alignment with each other.
- 4. Based on my calculations, West River has an area of 5,590.765 square miles in South Dakota. Attached is a map of the territory, labeled Exhibit A.

AFFIANT SAYS NOTHING FUTHER.

Dated this 6^{11} of April, 2012.

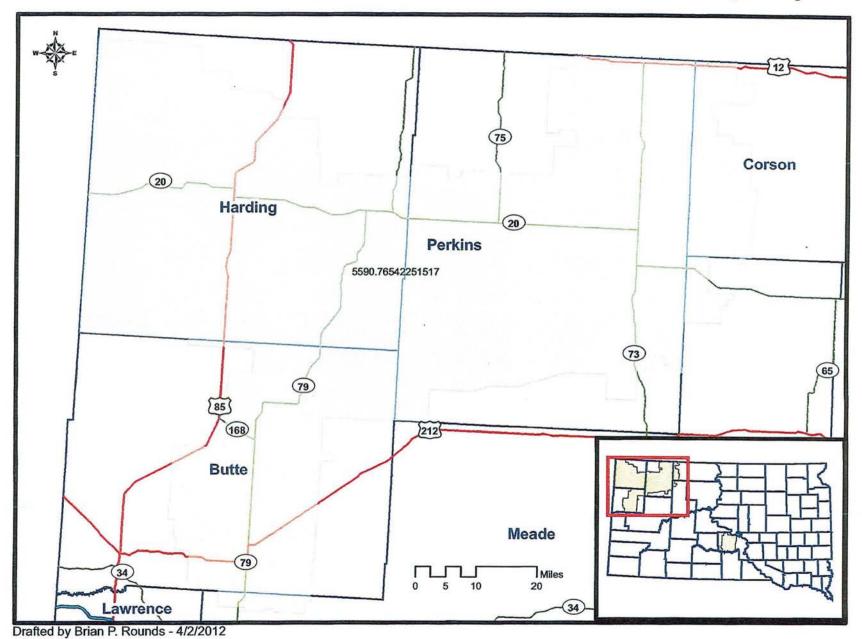
Brian P. Rounds

Subscribed and sworn to before me this 6 + n day of April, 2012.

Notary Public

TINA DOUGLAS
My Commission Expires
April 14, 2017

West River Cooperative Telephone Company





Chris Nelson, Chair Kristie Fiegen, Vice Chair Gary Hanson, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue Pierre, South Dakota 57501-5070 www.puc.sd.gov Capitol Office (605) 773-3201 1-866-757-6031 fax

Grain Warehouse (605) 773-5280 (605) 773-3225 fax

Consumer Hotline 1-800-332-1782

April 10, 2012

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Dear Ms. Dortch:

West River Cooperative Telephone Company, a rural telecommunications and broadband service provider integral in serving the rural areas and residents of South Dakota, has brought to my attention its concerns regarding the incorrect data inputs used by the Federal Communications Commission to determine the distribution of universal service support.

I am familiar with the geographical areas served by West River and can verify that the total square miles, as reported in the Commission's data files for West River's service area, are vastly underreported.

I am supportive of the Commission taking corrective action to amend the data input numbers in accordance with the certified documentation provided by the South Dakota Public Utilities Commission. Brian Rounds from the SDPUC has prepared an affidavit containing the correct service area total for West River Cooperative Telephone Company.

It is troubling that the FCC would rely on data inputs which are faulty for such an important computation as is being accomplished with the regression analysis. I ask that you utilize the accurate data which this Commission has provided.

Thank you for your consideration.

Sincerely

Chris Nelson, Chairman

cc: Carol Mattey

Sharon Gillett Michael Steffen Angela Kronenberg Christine Kurth